

Filing at a Glance

Companies: State Automobile Mutual Insurance Company, State Auto Property and Casualty Insurance Company
Product Name: AR Crime Terr. Forms SERFF Tr Num: STAT-125226062 State: Arkansas
TOI: 26.0 Burglary & Theft SERFF Status: Closed State Tr Num: AR-PC-07-025432
Sub-TOI: 26.0001 Commercial Burglary & Theft Co Tr Num: SAC-CR-2007-542 State Status:
Filing Type: Form Co Status: Submitted Reviewer(s): Betty Montesi,
Llyweyia Rawlins, Brittany Yielding
Disposition Date: 07-17-2007
Author: Bev Griffin Disposition Status: Approved
Date Submitted: 07-11-2007 Effective Date (New): 09-01-2007
Effective Date Requested (Renewal): 10-26-2007 Effective Date (Renewal): 10-26-2007

General Information

Project Name: AR Crime Terr. Forms Status of Filing in Domicile:
Project Number: SAC-CR-2007-542 Domicile Status Comments:
Reference Organization: Reference Number:
Reference Title: Advisory Org. Circular:
Filing Status Changed: 07-17-2007
State Status Changed: 07-12-2007 Deemer Date:
Corresponding Filing Tracking Number:
Filing Description:
Re: STATE AUTO INSURANCE COMPANIES, OUR GROUP FILING ID# SAC-CR-2007-542
- State Automobile Mutual Insurance Company, NAIC# 25135, FEIN# 31-4316080
- State Auto Property & Casualty Insurance Company, NAIC# 25127, FEIN# 57-6010814

Commercial Crime: Terrorism Forms

We are filing endorsements and manual revisions to address the change from the original Terrorism Risk Insurance Act of 2002 (TRIA) to the changes introduced by the extension referred to as Terrorism Risk Insurance Extension Act of 2005 (TRIEA) and the possible sunset of coverage on December 31, 2007. This change addresses language amendments. Please see the Form Schedule for copy of the forms.

Company and Contact

Filing Contact Information

Kathy Hartwell, Supervisor, State Filings
518 E. Broad Street
Columbus, OH 43215

kathy.hartwell@stateauto.com
(614) 917-5048 [Phone]
(614) 719-0299[FAX]

Filing Company Information

State Automobile Mutual Insurance Company
518 E. Broad Street

CoCode: 25135
Group Code: 175

State of Domicile: Ohio
Company Type: Property and
Casualty

PO Box 182822
Columbus, OH 43215
(614) 464-5000 ext. [Phone]

Group Name:
FEIN Number: 31-4316080

State ID Number:

State Auto Property and Casualty Insurance
Company
1300 Woodland Ave

CoCode: 25127
Group Code: 175

State of Domicile: Iowa
Company Type: Property and
Casualty

PO Box 66150
West Des Moines, IA 50265-0150
(614) 464-5000 ext. [Phone]

Group Name:
FEIN Number: 57-6010814

State ID Number:

Filing Fees

Fee Required? Yes
Fee Amount: \$50.00
Retaliatory? No
Fee Explanation: \$50.00 per filing
Per Company: No

| COMPANY | AMOUNT | DATE PROCESSED | TRANSACTION # |
|--|---------|----------------|---------------|
| State Auto Property and Casualty Insurance Company | \$0.00 | 07-11-2007 | |
| State Automobile Mutual Insurance Company | \$50.00 | 07-11-2007 | 14562007 |

Correspondence Summary

Dispositions

| Status | Created By | Created On | Date Submitted |
|----------|------------------|------------|----------------|
| Approved | Llyweyia Rawlins | 07-17-2007 | 07-17-2007 |

Disposition

Disposition Date: 07-17-2007

Effective Date (New): 09-01-2007

Effective Date (Renewal): 10-26-2007

Status: Approved

Comment:

Rate data does NOT apply to filing.

| Item Type | Item Name | Item Status | Public Access |
|---------------------|--|-------------|---------------|
| Supporting Document | Uniform Transmittal Document-Property & Casualty | Approved | Yes |
| Form | Conditional Exclusion Of Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance) | Approved | Yes |
| Form | Disclosure Pursuant To Terrorism Risk Insurance Act | Approved | Yes |

Form Schedule

| Review Status | Form Name | Form # | Edition Date | Form Type Action | Action Specific Data | Readability | Attachment |
|---------------|--|----------|--------------|---|----------------------|-------------|----------------|
| Approved | Conditional Exclusion Of Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance) | CR 07 52 | 01 07 | Endorsement/Amendment/Conditions Replaced | IL 09 95 05 04 | 0.00 | CR07520107.pdf |
| Approved | Disclosure Pursuant To Terrorism Risk Insurance Act | PN 00 83 | 01 07 | Disclosure/ Replaced Notice | PN 00 83 08 03 | 0.00 | PN00830107.pdf |

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
GOVERNMENT CRIME COVERAGE FORM
KIDNAP/RANSOM AND EXTORTION COVERAGE FORM

A. Applicability Of The Provisions Of This Endorsement

1. When the federal Terrorism Risk Insurance Program ("Program") established by the Terrorism Risk Insurance Act terminates with respect to the other Coverage Forms and Coverage Parts contained in this policy, then the provisions of this endorsement apply with respect to the Commercial Crime Coverage Form, Government Crime Coverage Form and Kidnap/Ransom And Extortion Coverage Form. Such provisions:
 - a. Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to loss or damage from an incident(s) of terrorism (however defined) that occurs on or after the date when the provisions of this endorsement become applicable; and
 - b. Remain applicable unless we notify you of changes in these provisions, in response to federal law.
2. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.

B. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
5. The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the threshold is exceeded.

With respect to this Item **C.5.**, the immediately preceding paragraph describes the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form.

D. Application Of Other Exclusions

1. When the Exclusion Of Terrorism applies in accordance with the terms of **C.1.** or **C.2.**, such exclusion applies without regard to the Nuclear Hazard Exclusion in this Coverage Form.
2. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss or damage which would otherwise be excluded under this Coverage Form, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

Policyholder Disclosure – Notice Of Terrorism Insurance Coverage

You are hereby notified that under the Terrorism Risk Insurance Act (Act), as extended on December 22, 2005, you have a right to purchase insurance coverage for losses arising out of acts of terrorism, *as defined in Section 102(1) of the Act*. The term “act of terrorism” means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property; or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

You should know that coverage provided by this policy for losses caused by certified acts of terrorism is partially reimbursed by the United States under a formula established by federal law. Under this formula, the United States pays 90% (adjusted to 85% in 2007) of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The premium charged for this coverage is provided on the policy Declarations page and does not include any charges for the portion of loss covered by the federal government under the act.

LIMITATION ON PAYMENT OF TERRORISM LOSSES

The provisions of the Terrorism Risk Insurance Act can limit our maximum liability for payment of losses from certified acts of terrorism. That determination will be based on a formula set forth in the law involving the national total of federally insured terrorism losses in an annual period and individual insurer participation in payment of such losses. If one or more certified acts of terrorism in an annual period causes the maximum liability for payment of losses from certified acts of terrorism to be reached, and we have satisfied our required level of payments under the law, then we will not pay for the portion of such losses above that maximum. However, that is subject to possible change at that time, as Congress may, under the Act, determine that payments above the cap will be made.

Selection of terrorism insurance coverage

The portion of your annual policy premium that is attributable to coverage for certified acts of terrorism is shown on the declarations page. *If you wish to reject this coverage, please read and complete the form below.*

Rejection of terrorism insurance coverage

You may elect to decline coverage for certified acts of terrorism. However, if your policy covers property located in a state with a fire following statutory requirement, the terrorism exclusion makes an exception for fire losses to such covered property resulting from certified acts of terrorism. If you choose to decline coverage for certified

acts of terrorism, that rejection is not applicable to fire losses to property in those states resulting from certified acts of terrorism, unless excepted by statute or other regulatory means. A separate premium is displayed on the declarations page for coverage for fire losses that result from certified acts of terrorism.

If you purchase this coverage on an umbrella policy, you must also purchase this coverage for any underlying liability and/or commercial auto liability policies.

In the context of a newly issued policy or renewal offer, this form becomes part of the application for this coverage.

To reject coverage, you must 'X' the box below, sign your name, print your name, date this form and return it to the company within 30 days. If you choose not to reject this coverage, you do not need to return this form.

| | |
|--------------------------|---|
| <input type="checkbox"/> | I hereby elect to exclude losses arising from certified acts of terrorism. I understand that if I exclude certified acts of terrorism coverage, coverage will not be available until my next renewal. |
|--------------------------|---|

Policyholder/Applicant's Signature

Insurance Company

Print Name

Policy Number

Date

<State Code> - <Agency Code>
<Agency Name>
<Address>
<City, State Zip>
<Phone Number>

Rate Information

Rate data does NOT apply to filing.

Supporting Document Schedules

| | | Review Status: | |
|------------------|--|----------------|------------|
| Satisfied -Name: | Uniform Transmittal Document- Property & Casualty | Approved | 07-17-2007 |
| Comments: | | | |
| Attachment: | | | |
| PCTrans.pdf | | | |

Property & Casualty Transmittal Document

| | | |
|---|---|--|
| 1. Reserved for Insurance Dept. Use Only | 2. Insurance Department Use only | |
| | a. Date the filing is received: | |
| | b. Analyst: | |
| | c. Disposition: | |
| | d. Date of disposition of the filing: | |
| | e. Effective date of filing: | |
| | New Business | |
| | Renewal Business | |
| | f. State Filing #: | |
| | g. SERFF Filing #: | |
| h. Subject Codes | | |

| | | | | | | |
|--|--------------------------------|---------------|---------------|----------------|---------------------|-----|
| 3. Group Name | State Auto Insurance Companies | | | | Group NAIC # | 175 |
| 4. Company Name(s) | Domicile | NAIC # | FEIN # | State # | | |
| State Automobile Mutual Insurance Co. | OH | 25135 | 31-4316080 | | | |
| State Auto Property & Casualty Insurance Co. | IA | 25127 | 57-6010814 | | | |
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|-----------------------------------|-----------------|
| 5. Company Tracking Number | SAC-CR-2007-542 |
|-----------------------------------|-----------------|

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

| | | | | |
|---|------------------------------|---------------------|--------------|--|
| 6. Name and address | Title | Telephone #s | FAX # | e-mail |
| Kathy Hartwell 518 East Broad Street Columbus, Ohio 43215 | Supervisor, State Filings | 800-695-9436 | 614-719-0299 | kathy.hartwell@stateauto.com |
| | | | | |
| 7. Signature of authorized filer | | | | |
| 8. Please print name of authorized filer | | Kathy Hartwell | | |

Filing information (see General Instructions for descriptions of these fields)

| | | | | |
|---|--|------------|----------|------------|
| 9. Type of Insurance (TOI) | 26.0 Burglary and Theft | | | |
| 10. Sub-Type of Insurance (Sub-TOI) | 26.0001 Commercial Burglary and Theft | | | |
| 11. State Specific Product code(s)(if applicable)[See State Specific Requirements] | | | | |
| 12. Company Program Title (Marketing title) | Commercial Crime | | | |
| 13. Filing Type | <input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description) | | | |
| 14. Effective Date(s) Requested | New: | 09/01/2007 | Renewal: | 10/26/2007 |
| 15. Reference Filing? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| 16. Reference Organization (if applicable) | | | | |
| 17. Reference Organization # & Title | | | | |
| 18. Company's Date of Filing | 07/11/2007 | | | |
| 19. Status of filing in domicile | <input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved | | | |

Property & Casualty Transmittal Document—

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|------------|--|-----------------|
| 20. | This filing transmittal is part of Company Tracking # | SAC-CR-2007-542 |
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| 21. | Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text] |
|------------|--|

Re: STATE AUTO INSURANCE COMPANIES, OUR GROUP FILING ID# SAC-CR-2007-542
- State Automobile Mutual Insurance Company, NAIC# 25135, FEIN# 31-4316080
- State Auto Property & Casualty Insurance Company, NAIC# 25127, FEIN# 57-6010814

Commercial Crime: Terrorism Forms

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| | |
|------------|---|
| 22. | Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below] |
|------------|---|

Check #: N/A - EFT
Amount: \$50.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

*****Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

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FORM FILING SCHEDULE(This form must be provided **ONLY** when making a filing that includes forms)(Do **not** refer to the body of the filing for the forms listing, unless allowed by state.)

| | | |
|-----------|--|-----------------|
| 1. | This filing transmittal is part of Company Tracking # | SAC-CR-2007-542 |
|-----------|--|-----------------|

| | | |
|-----------|---|-----|
| 2. | This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable) | N/A |
|-----------|---|-----|

| 3. | Form Name /Description/Synopsis | Form # Include edition date | Replacement Or withdrawn? | If replacement, give form # it replaces | Previous state filing number, if required by state |
|-----------|---|--|---|--|---|
| 01 | Conditional Exclusion Of Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance) (ISO filing designation# CR-06-OTF01) | CR 07 52 01 07 | <input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | IL0995 0504 | |
| 02 | Disclosure Pursuant To Terrorism Risk Insurance Act | PN 00 83 01 07 | <input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | PN0083 0803 | |
| 03 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 04 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 05 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 06 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 07 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 08 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 09 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |
| 10 | | | <input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn | | |

PC FFS-1